

Board of Water Commissioners

Minutes 01/24/2012

Harwich Water Department
BOARD OF WATER COMMISSIONERS
Meeting on January 24, 2012

Present: Chairman Donald Bates, Vice Chairman Allin Thompson, Clerk Danette Gonsalves, Superintendent Craig Wiegand, Secretary Alexandra Bilek, Sr. Billing Administrator Wellesley Marsh, Comptroller Sandra Cummings, Town Administrator James Merriam, Selectmen Ed McManus, Selectmen Angelo LaMantia

Chairman Donald Bates called the meeting to order at 8:20 a.m.

The minutes for the previous meetings held on January 10, 2012 and January 18, 2012, were approved with a motion by Vice Chairman Thompson and seconded by Clerk Gonsalves; 3-0-0.

Town Administrator James Merriam was in attendance. He said he believes there may be federal funds for the conversion to waste water from the EPA as there is an on-going lawsuit with other coastal towns. Mr. Merriam said this money would be vital as he does not feel the tax payers alone can afford to pay for it. He said we need to plan the organizational structure so we are not behind the eight ball should this money become available. Mr. Merriam said Selectmen Hughes formed an Implementation Advisory Committee, comprised of various members probably including a member of the Board of Water Commissioners. He said in his experience it is natural to expand a water commission to a water-sewer commission as they are both utilities. Mr. Merriam said Craig (Wiegand) is very good at his job, but that you cannot build the position around a personality. He thinks the sore point is whether or not the staff should remain independent or go under Public Works. Mr. Merriam said again in his experience that it is natural to have water-sewer under DPW. He said his proposal was not as well received as he had anticipated. Vice Chairman Thompson asked Mr. Merriam why we could not have had this meeting before he went public with all of this. Vice Chairman Thompson said he was very hurt by this as the Board was not afforded the respect they deserve. Mr. Merriam said he is appointed by the Board of Selectmen and reports to them and feels that it would have been improper to approach the Board of Water Commissioners first. Vice Chairman Thompson questioned why the Water Department has to be pulled into the DPW. Vice Chairman Thompson said he has heard that the Water Department has disappeared. Clerk Gonsalves said the suggestion has been made that the Water Department does not cooperate with other departments. She said she disagrees with that comment whole-heartedly. Mr. Merriam said that when the Enterprise Fund was created there was the new perception that the Water Department was independent of the rest of the Town. He said the Enterprise Fund is an accounting mechanism only. Mr. Merriam said he is referring to the cooperation with regard to systems. He said he feels the Water Department can do a much better job integrating the utility into the Public Works function. The Board asked him to clarify what he meant by that. Mr. Merriam said the Department could do a better job of sharing personnel and equipment. Clerk Gonsalves said we do that now. Vice Chairman Thompson said the personnel here are paid on the water rates. Vice Chairman Thompson

asked Mr. Merriam if he wanted the Department to raise the water rates so its personnel could work on the highway. Mr. Merriam said if the Public Works function was broader and the utility was part of that you would have cooperation to exchange personnel and equipment when needed. Superintendent Wiegand said we do that now, and we have a stack of letters to attest to it. Mr. Merriam said it is getting better. Mr. Wiegand said we have always maintained that the Enterprise Fund is an accounting mechanism only, and the Water Department is no different than any other Department. Mr. Wiegand said we answer to the Board of Water Commissioners, the rate payers, the Board of Selectmen and you (Merriam). Clerk Gonsalves asked why Mr. Merriam never brought his concerns to the Board before, and listed instances of services provided to other departments when requested. Vice Chairman Thompson asked if we were paid for any of the services and Mr. Merriam said no. Vice Chairman Thompson said he fears that if the Water Department is pulled into Public Works then the water rates will go to supporting those salaries also. Vice Chairman Thompson said this Department had been underfunded for years because the Town would take the Department revenues for free cash. Mr. Merriam confirmed this and said the Water Department revenues should have stayed within the Department, but that the Enterprise Fund now protects it. Clerk Gonsalves said the Board is all for integrating water and sewer. Mr. Merriam said the question remains whether water-sewer should stand alone or be part of a Department of Public Works. Clerk Gonsalves said we are interested in what is best for the rate payer. Vice Chairman Thompson said we do not want to make any rash moves, as the Water Department cannot afford to take another hit. Mr. Merriam said the Board has misinterpreted his intent on the organizational part. Vice Chairman Thompson said he thinks we should take the time to conduct a study to see what is best for the rate payers and present it at Town Meeting together. Mr. Wiegand said he would like to see the proposed organizational chart and the funding for it. Mr. Wiegand wanted to know if the Water Department would be absorbing various DPW salaries because if that is the case then we would have to be looking at rate increases. Mr. Merriam said he would be happy to attend future Board of Water Commissioners meetings to further discussion.

Selectmen LaMantia mentioned the new Implementation Advisory Committee and said there is a space in there for a Water Commissioner. He said he thinks being part of that group will be helpful in generating information for the work the Department is doing, and he does not feel the work should go on independent of the rest of the operation. Mr. LaMantia said they are facing the same problem with the Golf Department in regard to funding. He said there has been a change in attitude and are now "following the rules". Mr. La Mantia said he hopes that it gives the Board a little confidence that the Board of Selectmen are not trying to pick the Department's pocket. He said he has been asked by the Board of Selectmen to be their liaison to the Board of Water Commissioners and will be attending all meetings.

The Board reviewed the abatement request from Arsenio Meluso of 21 Liberty Trail in regard to late fees. Upon review and discussion Clerk Gonsalves moved to deny the abatement request with a second by Chairman Bates; 2-1-0.

Superintendent Wiegand reiterated the notification for making the list for the SRF Funding for a \$10.5 million 2% loan (\$6.5 million the first year and \$4 million the second year) to be used for solar energy and the installation of two new wells and a treatment plant at Site 10. He said the DEP is a proponent of redundant systems. Mr. Wiegand said we pump 60-80% of our water out of the well field here and well field 2. He said if we were to lose this well field we would be in trouble. Mr. Wiegand said we don't have to take the funding, but we should submit an article for Special Town Meeting so the mechanism to accept the funding is available. He said it is a 2% loan, however, what they have done in

the past is lower it to 0% interest for all of the money used for green energy. Mr. Wiegand said he would like to put enough solar power up there to pay for the principal and interest on the loan. He said it would be a win-win situation if the solar energy paid for the whole project and any extra energy we could sell back. Mr. Wiegand said it could be another source of revenue. Clerk Gonsalves moved to accept the \$6.5million in SRF Funding for the Well 10 Treatment Plant with a second by Vice Chairman Thompson; 3-0-0.

Mr. Wiegand inquired about the study for the Water District. Vice Chairman Thompson said he would like the Department to gather the necessary information for organizational structures.

Mr. Wiegand tabled Invoice Cloud until the next meeting.

Comptroller Sandra Cummings provided the Board with a Second Quarter Budget Update.

Mr. Wiegand tabled the rate increase scenarios until the next meeting.

Mr. Wiegand said the work on the Scada System for the Treatment Plant will be finished today. He said he can now contact the Building Inspector in order to obtain an occupancy permit. Mr. Wiegand said we are running all of our wells through the treatment plant right now, and they are running at 98% removal of the iron and manganese. He said we should start seeing some results in the field within the next 60 days.

Mr. Wiegand said the Route 39 Tank is back online. He said they are waiting for the test results to come back from the lab and then he can put it back into full service. Mr. Wiegand said the structural repairs came out good. He said our crews will restore the landscaping once the equipment has been removed. Mr. Wiegand said once the grading is done the Sheriff's Department will be putting in a shed and installing its antenna. He said the easement for the Sheriff's Department is at Town Counsel for review.

Mr. Wiegand said he is looking to do a full inspection on the Lothrop Tank. He said he just got a proposal from Merrihew for \$4,000 to do a full evaluation in anticipation of next year's repairs. Mr. Wiegand said he hopes the cost of the repairs will come in around \$1.6 million so we can pay cash for it and not have to borrow. He said if there is anything left over from the Route 39 Tank it can be put toward the Lothrop Tank repairs. Vice Chairman Thompson moved to approve the \$4,000 expenditure for the inspection of the Lothrop Ave Tank in preparation for bidding with a second by Clerk Gonsalves; 3-0-0.

Ms. Cummings presented the Board with the Second Quarter Internal Adjustments. Vice Chairman Thompson moved to approve the Second Quarter Internal Adjustments in the amount of \$3,217.17 with a second by Clerk Gonsalves; 3-0-0.

Mr. Wiegand informed the Board that National Grid has not paid for any of their mark out fees. He said they presently owe \$6,200. Mr. Wiegand said he has spoken with Town Counsel about this, and they are sending National Grid a letter stating the Department will not be marking out any properties for them until they pay in full. He said they checked with Utility Regulations and Standards to make sure it was alright to charge them.

Mr. Wiegand tabled Open Cape's license request until further information is received.

Vice Chairman Thompson moved to table the East Harwich Village Collaborative's letter request as he does not feel the Board should endorse any position. Chairman Bates said he agreed, but he does not see any harm to put the Board's opinion out there in regard to the water. Vice Chairman asked the Department to draft a neutral letter in regard to protecting the resource.

The Board will meet again on Tuesday, February 7, 2012.

The meeting was adjourned at 9:40 a.m. with a motion by Clerk Gonsalves and seconded by Chairman Bates; 3-0-0.

Respectfully submitted,